

Administration of Barack Obama, 2012

Remarks at the Detroit Diesel Corporation Plant in Redford, Michigan
December 10, 2012

The President. Hello, Redford! Oh, it is good to be back in Michigan. How is everybody doing today?

Now, let me just start off by saying we have something in common: Both our teams lost yesterday. *[Laughter]* I mean, I would like to come here and talk a little smack about the Bears, but we didn't quite get it done. But it is wonderful to be back. It is good to see everybody in the great State of Michigan.

A few people I want to acknowledge: First of all, the mayor of Detroit here, Dave Bing is in the house. We've got the Redford Supervisor Tracey Schultz Kobylarz. We've got some outstanding Members of Congress who are here; please give them a big round of applause.

I want to thank Martin for hosting us. I want to thank Jeff and Gibby for giving me a great tour of the factory. I've got to say: I love coming to factories.

Audience member. I love you!

The President. I love you.

So in addition to seeing the best workers in the world, you've also got all this cool equipment. *[Laughter]* I wanted to try out some of the equipment, but Secret Service wouldn't let me. *[Laughter]* They said, "You're going to drop something on your head, hurt yourself." *[Laughter]* They were worried I'd mess something up. And I—Jeff and Gibby may not admit it, but I think they were pretty happy the Secret Service wouldn't let me touch the equipment. *[Laughter]*

Now, it's been a little over a month since the election came to an end. So it's now safe for you to turn your televisions back on. *[Laughter]* All those scary political ads are off the air. You can answer your phone again; nobody is calling you in the middle of dinner asking for your support. But I have to—look, I have to admit there's one part of the campaign that I miss, and that is, it is a great excuse for me to get out of Washington and come to towns like this and talk to the people who work so hard every day and are looking out for their families and are in their communities and just having a conversation about what kind of country do we want to be, what kind of country do we want to leave behind for our kids. Because ultimately, that's what this is about.

And I believe—and I've been saying this not just for the last 6 months or the last year, but ever since I got into public office—I believe America only succeeds and thrives when we've got a strong and growing middle class. That's what I believe. I believe we're at our best when everybody who works hard has a chance to get ahead; that they can get a job that pays the bills; that they've got health care that they can count on; that they can retire with dignity and respect, maybe take a vacation once in a while—nothing fancy, just being able to pack up the kids and go someplace and enjoy time with people that you love; make sure that your kids can go to a good school; make sure they can aspire to whatever they want to be.

That idea is what built America. That's the idea that built Michigan. That's the idea that's at the heart of the economic plan I've been talking about all year long on the campaign trail. I want to give more Americans the chance to earn the skills that businesses are looking for right

now and give our kids the kind of education they need to succeed in the 21st century. I want to make sure America leads the world in research and technology and clean energy. I want to put people back to work rebuilding our roads and our bridges and our schools. That's how we grow an economy.

I want us to bring down our deficits, but I want to do it in a balanced, responsible way. And I want to reward—I want a Tax Code that rewards—businesses and manufacturers like Detroit Diesel right here, creating jobs right here in Redford, right here in Michigan, right here in the United States of America. That's where we need to go. That's the country we need to build. And when it comes to bringing manufacturing back to America, that's why I'm here today.

Since 1938, Detroit Diesel has been turning out some of the best engines in the world. Over all those years, generations of Redford workers have walked through these doors. Not just to punch a clock. Not just to pick up a paycheck. Not just to build an engine. But to build a middle class life for their families, to earn a shot at the American Dream.

For seven-and-a-half decades, through good times and bad, through revolutions in technology that sent a lot of good jobs—manufacturing jobs—overseas, men and women like you, your parents, maybe even your grandparents, have done your part to build up America's manufacturing strength. That's something you can all be proud of. And now you're writing a new proud chapter to that history. Eight years ago, you started building axles here alongside the engines. That meant more work. That meant more jobs. So you started seeing products—more products stamped with those three proud words: Made in America.

Today, Daimler is announcing a new \$120 million investment into this plant, creating 115 good, new, union jobs building transmissions and turbochargers right here in Redford. A hundred and fifteen good new jobs right here in this plant, making things happen. That is great for the plant. It's great for this community. But it's also good for American manufacturing. Soon, you guys will be building all the key parts that go into powering a heavy-duty truck, all at the same facility. Nobody else in America is doing that. Nobody else in North America is doing that.

And by putting everything together in one place, under one roof, Daimler engineers can design each part so it works better with the others. That means greater fuel efficiency for your trucks. It means greater savings for your customers. That's a big deal. And it's just the latest example of Daimler's leadership on this issue.

Last year, I was proud to have your support when we announced the first-ever national fuel efficiency standards for commercial trucks, which is going to help save consumers money and reduce our dependence on foreign oil. That's good news.

But here's the other reason why what you guys are doing—what Daimler is doing—is so important. For a long time, companies, they weren't always making those kinds of investments here in the United States. They weren't always investing in American workers. They certainly weren't willing to make them in the U.S. auto industry.

Remember, it was just a few years ago that our auto industry was on the verge of collapse. GM, Chrysler were all on the brink of failure. And if they failed, the suppliers and distributors that get their business from those companies, they would have died off too. Even Ford could have gone down. Production halted, factories shuttered, once proud companies chopped up and sold off for scraps. And all of you—the men and women who built these companies with your own hands—would have been hung out to dry. And everybody in this community that

depends on you—restaurant owners, storekeepers, bartenders—[laughter]—their livelihoods would have been at stake too.

So I wasn't about to let that happen. I placed my bet on American workers. We bet on American ingenuity. I'd make that same bet any day of the week. Three-and-a-half years later, that bet is paying off. This industry has added over a quarter of a million new jobs. Assembly lines are humming again. The American auto industry is back.

And companies like Daimler know you're still a smart bet. They could have made their investment somewhere else, but they didn't. And if you ask them whether it was a tough call, they'll tell you it wasn't even close. So the word's going out all around the world: If you want to find the best workers in the world, if you want to find the best factories in the world, if you want to build the best cars or trucks or any other product in the world, you should invest in the United States of America. This is the place to be.

See, you're starting to see the competitive balance is tipping a little bit. Over the past few years, it's become more expensive to do business in countries like China. Our workers have become more productive. Our energy costs are starting to go down here in the United States. And we still have the largest market. So when you factor in everything, it makes sense to invest here in America.

And that's one of the reasons why American manufacturing is growing at the fastest pace since the 1990s. And thanks in part to the boost in manufacturing, 4 years after the worst economic crisis of our lifetimes, our economy is growing again. Our businesses have created more than half—5½ million new jobs over the past 33 months. So we're making progress. We're moving in the right direction. We're going forward.

So what we need to do is simple. We need to keep going. We need to keep going forward. We should do everything we can to keep creating good, middle class jobs that help folks rebuild security for their families. And we should do everything we can to encourage companies like Daimler to keep investing in American workers.

And by the way, what we shouldn't do—I've just got to say this—what we shouldn't be doing is trying to take away your rights to bargain for better wages and working conditions. [Applause] We shouldn't be doing that. These so-called "right to work" laws, they don't have to do with economics, they have everything to do with politics. What they're really talking about is giving you the right to work for less money.

You only have to look to Michigan—where workers were instrumental in reviving the auto industry—to see how unions have helped build not just a stronger middle class, but a stronger America. So folks from our State's capital, all the way to the Nation's Capital, they should be focused on the same thing. They should be working to make sure companies like this manufacturer is able to make more great products. That's what they should be focused on. We don't want a race to the bottom, we want a race to the top.

We—America is not going to compete based on low skill, low wage, no workers' rights. That's not our competitive advantage. There's always going to be some other country that can treat its workers even worse. Right?

Audience members. Right!

The President. What's going to make us succeed is we got the best workers: well trained, reliable, productive, low turnover, healthy. That's what makes us strong. And it also is what

allows our workers then to buy the products that we make because they've got enough money in their pockets.

So we've got to get past this whole situation where we manufacture crises because of politics. That actually leads to less certainty, more conflict, and we can't all focus on coming together to grow.

And the same thing—we're seeing the same thing in Washington. I'm sure you've all heard the talk recently about some big deadlines we're facing in a few weeks when it comes to decisions on jobs and investment and taxes. And that debate is going to have a big impact on all of you. Some of you may know this: If Congress doesn't act soon—meaning in the next few weeks—starting on January 1, everybody is going to see their income taxes go up.

Audience members. No!

The President. It's true. You all don't like that.

Audience members. No!

The President. Typical, middle class family of four will see an income tax hike of around \$2,200. How many of you can afford to pay another \$2,200 in taxes?

Audience member. Not me!

The President. Not you?

Audience members. No!

The President. No, I didn't think so. You can't afford to lose that money. That's a hit you can't afford to take. And by the way, that's not a good hit for businesses either, because if Congress lets middle class taxes go up, economists will tell you, that means people will spend nearly \$200 billion less than they otherwise would spend. Consumer spending is going to go down. That means you've got less customers. Businesses get fewer profits. They hire fewer workers. You go in a downward spiral. Wrong idea.

Here is the good news: We can solve this problem. All Congress needs to do is pass a law that would prevent a tax hike on the first \$250,000 of everybody's income—everybody. That means 98 percent of Americans—and probably 100 percent of you—[laughter]—97 percent of small businesses wouldn't see their income taxes go up a single dime. Even the wealthiest Americans would still get a tax cut on the first \$250,000 of their income. But when they start making a million or 10 million or 20 million, you can afford to pay a little bit more. You're not too strapped.

So Congress can do that right now. Everybody says they agree with it. Let's get it done.

Now, so that's the bare minimum. That's the bare minimum we should be doing in order to grow the economy. But we can do more. We can do more than just extend middle class tax cuts. I've said I will work with Republicans on a plan for economic growth, job creation, and reducing our deficits. And that has some compromise between Democrats and Republicans. I understand this—people have a lot of different views. I'm willing to compromise a little bit.

But if we're serious about reducing our deficit, we've also got to be serious about investing in the things that help us grow and make the middle class strong, like education and research and development and making sure kids can go to college and rebuilding our roads and our infrastructure. We've got to do that.

So when you put it all together, what you need is a package that keeps taxes where they are for middle class families; we make some tough spending cuts on things that we don't need; and then, we ask the wealthiest Americans to pay a slightly higher tax rate. And that's a principle I won't compromise on, because I'm not going to have a situation where the wealthiest among us, including folks like me, get to keep all our tax breaks, and then, we're asking students to pay higher student loans. Or suddenly, a school doesn't have schoolbooks because the school district couldn't afford it. Or some family that has a disabled kid isn't getting the help that they need through Medicaid.

We're not going to do that. We're not going to make that tradeoff. That's not going to help us to grow. Our economic success has never come from the top down, it comes from the middle out. It comes from the bottom up. It comes from folks like you working hard, and if you're working hard and you're successful, then you become customers and everybody does well.

Our success as a country in this new century will be defined by how well we educate our kids, how well we train our workers, how well we invent, how well we innovate, how well we build things like cars and engines—all the things that helped create the greatest middle class the world's ever known. That's how you bring new jobs back to Detroit. That's how you bring good jobs back to America. That's what I'm focused on. That's what I will stay relentlessly focused on going forward.

Because when we focus on these things—when we stay true to ourselves and our history—there's nothing we can't do. And if you don't believe me, you need to come down to this plant and see all these outstanding workers.

In fact, as I was coming over here, I was hearing about a guy named Willie. Where's Willie? There's Willie right here. *[Applause]* There's Willie. Now, all right. *[Applause]* In case—there's Willie. Now, in case you haven't heard of him, they actually call him Pretty Willie. *[Laughter]* Now, I got to say you got to be pretty tough to have a nickname like Pretty Willie. *[Laughter]* He's tough.

On Wednesday, Willie will celebrate 60 years working at Detroit Diesel—60 years. Willie started back on December 12, 1952. I was not born yet. *[Laughter]* Wasn't even close to being born. He made \$1.40 an hour. Only time he spent away from this plant was when he was serving our country in the Korean war. So three generations of Willie's family have passed through Detroit Diesel. One of his daughters works here with him right now. Is that right? There she is.

In all his years, Willie has been late to work only once. It was back in 1977. *[Laughter]* It's been so long he can't remember why he was late—*[laughter]*—but we're willing to give him a pass.

So Willie believes in hard work. You don't keep a job for 60 years if you don't work hard. Sooner or later, someone is going to fire you if you don't work hard. He takes pride in being something—in being part of something bigger than himself. He's committed to family; he's committed to community; he's committed to country. That's how Willie lives his life. That's how all of you live your lives.

And that makes me hopeful about the future, because you're out there fighting every day for a better future for your family and your country. And when you do that, that means you're creating value all across this economy. You're inspiring people. You're being a good example for your kids. That's what makes America great. That's what we have to stay focused on.

And as long as I've got the privilege of serving as your President, I'm going to keep fighting for you. I'm going to keep fighting for your kids. I'm going to keep fighting for an America where anybody, no matter who you are, no matter what you look like, no matter where you come from, you can make it if you try here in America.

Thank you very much, everybody. God bless you.

NOTE: The President spoke at 2:29 p.m. In his remarks, he referred to Martin Daum, president and chief executive officer, Daimler Trucks North America LLC; Jeff Allen, plant manager and vice president of operations, and Willie Carter, employee, Detroit Diesel Corp.; Mark "Gibby" Gibson, Detroit Diesel engine unit shop chairperson, UAW NW Local 163; and Dione Carter-Williams, daughter of Mr. Carter.

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